

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 10/28/2014	(3) CONTACT/PHONE Mark Hutchinson, Deputy Director of Public Works (805) 781-5458	
(4) SUBJECT Submittal of a resolution endorsing the Low Reservoir Release Plan for Lopez Lake as it pertains to County Service Area 12 (Avila Valley) and finding the project exempt from section 21000 et seq., of the California Public Resources Code (CEQA). Districts 3 and 4.			
(5) RECOMMENDED ACTION It is recommended that the Board adopt the resolution endorsing the Low Reservoir Release Plan for Lopez Lake as it pertains to County Service Area 12 (Avila Valley) and finding the project exempt from Section 21000 et seq., of the California Public Resources Code (CEQA).			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input checked="" type="checkbox"/> Board Business (Time Est. <u>30 min.</u> )			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: 8/19/14, #10; 4/17/07	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) District 3, District 4			

Reference: 14OCT28-BB-1

## County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works

Mark Hutchinson, Deputy Director of Public Works

VIA: Dave Flynn, Interim Director of Public Works

DATE: 10/28/2014

SUBJECT: Submittal of a resolution endorsing the Low Reservoir Release Plan for Lopez Lake as it pertains to County Service Area 12 (Avila Valley) and finding the project exempt from Section 21000 et seq., of the California Public Resources Code (CEQA). Districts 3 and 4.

### **RECOMMENDATION**

It is recommended that the Board adopt the resolution endorsing the Low Reservoir Release Plan for Lopez Lake as it pertains to County Service Area 12 (Avila Valley) and finding the project exempt from Section 21000 et seq., of the California Public Resources Code (CEQA).

### **DISCUSSION**

In 2006 the San Luis Obispo County Flood Control and Water Conservation District (District) adopted a Low Reservoir Response Plan (LRRP) for Zone 3 of the District. Zone 3 is the Lopez Water Project in the south county<sup>1</sup>. The LRRP provides a methodology to assess near term reservoir levels and a set of actions that could be taken to mitigate the impacts of low reservoir levels. In response to recent drought conditions, the Zone 3 member agencies' Technical Advisory Committee (TAC) along with District staff have met together with representatives of the agricultural community to update the LRRP. The goal of the LRRP is to reduce downstream releases and municipal diversions from Lopez Reservoir, when the lake falls below 20,000 acre feet of storage, to preserve water within the reservoir for three to four years under continuing drought conditions.

In consideration of current drought conditions, the TAC has reviewed the LRRP and has considered the results of different water supply projections. The LRRP uses data on rainfall and reservoir inflow selected from four different time periods to develop drought scenarios. These scenarios were then input into a model for use in determining the effect of reduced downstream releases and municipal deliveries on reservoir storage. The LRRP sets forth municipal delivery and downstream release reductions in an effort to extend and conserve the Lopez Reservoir supply to the greatest extent

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<sup>1</sup> The Zone 3 agencies are the Cities of Arroyo Grande, Pismo Beach, and Grover Beach; the Oceano Community Services District; and County Service Area 12.

possible. The municipal delivery reductions proposed will be triggered at milestones in the reservoir level as listed shown in the table below:

<b>LOPEZ RESERVOIR WATER DELIVERY REDUCTION SCENARIO</b>		
<b>% Available Storage</b>	<b>Total Storage in Acre Feet</b>	<b>Percent Delivery Reduction</b>
35	20,000	0% No deliveries above contract entitlements
24	15,000	10% Delivery reduction
13	10,000	20% Delivery reduction
2	5,000	35% Delivery reduction
0	4,000	100% <b>NO WATER DELIVERIES</b>

The LRRP also provides for two temporary changes to the declaration of “Surplus Water” (that is, unused entitlement water from the previous year). **Reductions in downstream releases will not be counted as surplus water, and any surplus water generated by an individual agency will only be available for use by that agency. This temporary water banking mechanism would only apply during the enactment of the LRRP, and is particularly important to CSA 12 as the subcontractors generally do not have access to alternate water supplies.** Given CSA 12’s historical use of about 60% of annual entitlement, CSA 12 should be able to “bank” a reasonable supply should the drought continue beyond another 3-4 years.

The proposed reductions in downstream releases, which provide water for environmental habitat and agriculture irrigation, were developed through collaboration with the local agricultural community and are shown in the table below:

<b>LOPEZ RESERVOIR DOWNSTREAM RELEASE REDUCTIONS</b>		
<b>Total Storage in Acre Feet</b>	<b>Downstream Release Reduction</b>	<b>Downstream Releases (Acre Feet)</b>
20,000	9.5%	3,800
15,000	9.5%	3,800
10,000	75.6%	1,026
5,000	92.9%	300
4,000	100%	0

The effect of the downstream release reductions is to maintain agricultural and environmental releases at near average amounts for the first two years, thereby allowing agriculture to continue unabated. The release then fall to an “environmental only” release as amounts under 3,800 will not sustain stream dependent irrigated agriculture. The 300 acre foot number represents an estimated “pass-through” during summer months as required by the project’s water rights permit.

## **OTHER AGENCY INVOLVEMENT/IMPACT**

The Board’s action today will confirm CSA 12’s response to implementing the LRRP. The Zone 3 Advisory Committee<sup>2</sup>, at their September 18, 2014 meeting, received a presentation on the LRRP and recommended that the Zone 3 member agencies present the LRRP to their respective Boards

<sup>2</sup> The Zone 3 Advisory Committee consists of representatives from the Cities of Arroyo Grande, Pismo Beach, and Grover Beach; the Oceano Community Services District; County Service Area 12; an Agricultural Representative; and a Member-at-Large.

and Councils for consideration and adoption. The Advisory Committee will consider the actions of the member agencies at their November 20, 2014 meeting and anticipates making a recommendation to the Board sitting as the Flood Control and Water Conservation District for consideration in December.

Notices of the plan and this meeting has been sent to the attached list of CSA 12 subcontractors.

County Counsel has reviewed the Resolution as to form and legal effect. The Environmental Coordinator has reviewed the proposal and determined that the project is exempt from CEQA.

## **FINANCIAL CONSIDERATIONS**

The water supply contracts for CSA 12 are a subset of the Flood Control and Water Conservation District Zone 3 contracts, which are described as “take-or-pay,” meaning that all of the costs of the system are paid for by the Zone 3 agencies at percentages based on the amount of entitlement water in their respective contracts, plus their distance down the delivery system. The majority of costs are for the capital costs of the system, in the form of debt service. Therefore, a temporary reduction in the amount of water delivered will not reduce the financial obligations of CSA 12 or its customers.

## **RESULTS**

Adoption of the LRRP and finding the project exempt from CEQA will help ensure that water supplies from Lopez Lake are managed in as prudent a manner as possible should the current drought continue, thereby contributing to a well governed community.

Reference: 14OCT28-C-10

File: CF 340.101.01

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## **ATTACHMENTS**

1. Vicinity Maps
2. County Service Area 12 Subcontractors List
3. Notice to CSA12 Subcontractors
4. Notice of Exemption (CEQA)
5. Resolution adopting the Low Reservoir Release Plan for Lopez Lake as it pertains to County Service Area 12 (Avila Valley) and finding the project exempt from section 21000 et seq., of the California Public Resources Code (CEQA)
6. Low Reservoir Response Plan